Automotive Division

THOMAS C. HABLITZEL
President & General Manager
Market Segments
Automotive & Transportation

AUTOMOTIVE
- Collision / Production Shops
- Custom/Restoration
- OE Interior/Specialty

AEROSPACE
- Commercial MRO
- General Aviation OE & MRO
- Military MRO
Automotive Division Profile

- Global Footprint
- 220 Company Owned Branches
- 5,500 Points of Distribution
- Global Training Network
- Conducting Business in 100 Countries

Warrensville, OH HQ
Mexico City HQ
Shanghai, China HQ
New Brazil HQ

Source: Company Estimates
Transportation Finishes Strategy

- Customer Segment Focused Innovation
- Controlled Distribution
- Strategic Partners Enhance Geographic Coverage
- Global Coverage and Expansion
- Global Brands, Colors, and Services
Collision Repair Industry Forces

**Drivers**
- Miles Driven Increases
- MSO Consolidation
- Distracted Driver Accidents
- Vehicle Average Age
- Self-Driving Adoption

**Detractors**
- Insurance Reimbursement Rates
- MSO Negotiating Power
- Crash Avoidance Technologies
- Increase in Totaled Vehicles
- Self-Driving Technology
Domestic Markets – Controlled Distribution
Repeatable Customer Experience

Manufacturing & Distribution Center
Richmond, KY

Sherwin-Williams Branch

SWAF Sales/Service Team

MSO Store

HEAT MAP INDEX

- Installs
- Product Training
- SOPS
- Ordering / EDI
- Material Carts

- Audit Tools
- Color Identification
- Allied Materials
- KPI Improvement
- Delivery / Lead Times
Domestic Markets – Distribution Partners / NAPA
Geographic Coverage & Category Expansion

- Leverage Parts Traffic to Paint Body Equipment (PBE)
- Differentiating Category vs. Peers
- 1500 Stock PBE + 31 Paint Stores

SHERWIN-WILLIAMS / MARTIN SENOUR STORE LOCATIONS:
NEW YORK STATE

- Controlled Brand at NAPA
- Compliments SWAF Footprint
- Dedicated Sales Team
PBE Strategy – Allied Products

Top PBE Distributors

<table>
<thead>
<tr>
<th>PBE Distributors</th>
<th>#</th>
<th>Geography</th>
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<tbody>
<tr>
<td>SHERWIN-WILLIAMS</td>
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<td>21</td>
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</tbody>
</table>

FASTLINE™

- National & Owned Brand Strategy
- Approaching 75% Category Coverage
- Margin Enhancement & Inventory Productivity

Aluminum Repair

- OEM Specified Equipment
- Consumables and Equipment for Complete Repairs
- Isolation Booths, Welding, Tools

Financial Community Presentation - May 26, 2016
Innovation Strategy

Sustainable Product Technology

Customer Productivity Improvement

Color Formula & Management Systems

IT / Process Solutions
Color Innovation – Color Formula Retrieval

Vehicle Refinish

- Google Simple Search
- 3X Faster Retrieval Process
- Paint Inventory & Management System Connected

- 95% Formula Identification
- 6 Angle + 4 Cameras
- Effect Identification
- Process Speed Acceleration
- Price Point Options

Financial Community Presentation - May 26, 2016
Product Innovation – G56 Soft Touch Coatings
O.E. Interior

- 2K Polyester Urethane Soft Touch Coating
- Unique Blend of Feel & Durability – Up Price Point
- Exclusive GM Approval
- 11 Vehicles / 4 Continents
- Soft Touch at New OEMs – Tesla
- Next Gen: Low VOC Versions G55 / G56
Expand Color Leadership

• Basecoat / Clearcoat System
• Effect Schemes over Large Areas
• Speed System – Improves Sag Resistance

Speed to Innovation

SW Product Counterpart

Aerospace New Product

CIRRUSS AIRCRAFT  Bell Helicopter  HondaJet
Automotive Brand Development
150th Anniversary Activation

3M™ / Roush® / SWAF Selling Campaign

Limited Edition Tools & Events
Transportation Finishes Strategy

• Customer Segment Focused Innovation
• Controlled Distribution
• Strategic Partners Enhance Geographic Coverage
• Global Coverage and Expansion
• Global Brands, Colors, and Services